GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:4400
ANSWERED ON:25.08.2005
DEALERSHIP OF PETRO PRODUCTS
Mandal Shri Sanat Kumar

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a): whether the Government has modified the guidelines for allotment of dealership of petroleum products;

(b): if so, the details thereof; and

(c): when these guidelines were last modified?

Answer

MINISTER OF PETROLEUM & NATURAL GAS AND PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) to (c): Based on certain broad parameters advised by the Government to the public sector oil marketing companies (OMCs) in August, 2003, the latter have framed their guidelines for the selection of retail outlet dealerships, LPG distributorships and SKO-LDO dealerships for viable locations in the country, and have been making selections in terms of these guidelines. These guidelines provide for a detailed procedure to be followed by the OMCs in making selection of dealers/distributors. The procedure includes selection of dealers/distributors by the selection committee of the OMC concerned on the basis of evaluation of the suitability of the candidates vis-Ã -vis certain laid down parameters. Further, the guidelines provide for grievance redressal mechanism and any complaint/ grievance related to the selection of dealers/distributors is dealt with by the OMCs as per this mechanism.

Subsequently, in July, 2004, Government issued certain directions to the OMCs for lending more transparency to the selection procedure. In February, 2005, Government had further advised the OMCs to modify the procedure for considering offers of land from the land owners for setting up of dealerships.